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It is subject to change and Michigan Department
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Final forms will be available in early January 2009.

DO NOT FILE THIS DRAFT FORM.

Draft forms that are filed will be rejected by the
Michigan Department of Treasury.

2008 MICHIGAN Business Tax Renaissance Zone Credit Schedule

Issued under authority of Public Act 36 of 2007.

Taxpayer Name (If Unitary Business Group, Name of Designated Member)	Federal Employer Identification Number (FEIN) or TR Number
Unitary Business Groups Only: Name of Unitary Business Group Member Reporting on This Form	Federal Employer Identification Number (FEIN) or TR Number

1. Tax liability before Renaissance Zone Credit. Enter amount from Form 4573, line 13, or Form 4596, line 14	1.		00
2. Enter property information below:			
Street Address	Zone or Subzone		
City	Parcel Number		
3. Average value of property owned within the Zone	3.		00
4. Multiply rent paid for property within the Zone by 8 and enter the result	4.		00
5. Total property value within the Zone. Add lines 3 and 4	5.		00
6. Average value of all property owned in Michigan	6.		00
7. Multiply rent paid for property in Michigan by 8 and enter the result	7.		00
8. Total property value in Michigan. Add lines 6 and 7	8.		00
9. Divide line 5 by line 8 and enter as a percentage	9.		%
10. Total payroll for services performed within the Zone	10.		00
11. Total Michigan payroll	11.		00
12. Divide line 10 by line 11 and enter as a percentage	12.		%
13. Add lines 9 and 12 and enter as a percentage	13.		%
14. Business Activity Factor. Divide line 13 by 2 and enter as a percentage	14.		%
15. Credit based on the Business Activity Factor. Multiply line 14 by line 1	15.		00
Adjusted Services Performed in the Renaissance Zone			
16. Enter amount from line 10	16.		00
17. Enter depreciation for tangible property in the Zone exempt under MCL 211.7ff. Claim property exempt in tax year; also claim new property that will be exempt in immediately following tax year (see instructions)	17.		00
18. Add lines 16 and 17	18.		00
19. Partnerships, S Corporations and Individuals Only:			
a. Business income from Form 4567, line 21. If less than zero, enter zero	19a.		00
b. Apportionment percentage from Form 4567, line 10d	19b.		%
c. Enter amount from line 14 as a percentage	19c.		%
d. Multiply line 19a by line 19b by line 19c	19d.		00
e. Add lines 18 and 19d	19e.		00
20. Enter amount from line 18, or, if taxpayer is a Partnership, S Corporation or Individual, enter amount from line 19e	20.		00
21. Credit based on adjusted services performed in the Zone. Multiply line 20 by 10% (0.10)	21.		00
Taxpayers first located within a Renaissance Zone before 12-31-2002 ONLY (All others, leave lines 22a-e blank.)			
22. a. Renaissance Zone Credit allowed in 2007	22a.		00
b. Michigan payroll in 2007	22b.		00
c. Business Activity Factor for tax year 2007 and enter as a percentage	22c.		%
d. Divide line 11 by line 22b and enter as a percentage	22d.		%
e. Divide line 14 by line 22c and enter as a percentage	22e.		%
23. Multiply line 22a by line 22d by line 22e	23.		00
24. Tentative Renaissance Zone Credit. Taxpayer first located within a Zone before 12-31-2002, enter lesser of lines 15, 21 or 23. All others enter the lesser of lines 15 or 21	24.		00
25. a. Reduced credit percentage from Reduced Credit Table on page 2	25a.		%
b. Reduced Renaissance Zone Credit. Multiply line 24 by the reduced credit percentage on line 25a. Carry amount to Form 4573, line 14, or Form 4596, line 15	25b.		00

REDUCED CREDIT TABLE

If this tax period is in the:

The reduced credit is:

Final year of designation as a Renaissance Zone.....**25 percent** (0.25) of tentative credit on line 24.

Immediately preceding the final year of designation as a
Renaissance Zone.....**50 percent** (0.50) of tentative credit on line 24.

Two years before the final year of designation as a
Renaissance Zone..... **75 percent** (0.75) of tentative credit on line 24.

Three or more years before the final year of designation
as a Renaissance Zone..... **100 percent** (1.00) of the tentative credit on
line 24.

Instructions for Form 4595

Michigan Business Tax (MBT) Renaissance Zone Credit Schedule

Fiscal Year Filers: See “Supplemental Instructions for Initial Fiscal MBT Filers” on page 133.

Purpose

To allow eligible taxpayers to calculate and claim the Renaissance Zone Credit. The credit is calculated on Form 4595 and then carried to the *MBT Miscellaneous Nonrefundable Credits* (Form 4573). Insurance companies will carry this credit to the *Miscellaneous Credits for Insurance Companies* (Form 4596).

Renaissance Zone Credit

The Renaissance Zone Credit encourages businesses and individuals to move into a designated Zone to help revitalize the area by providing a credit for businesses located and doing business activity within the Zone. The method of calculating the credit is different for businesses first locating and conducting business activity within a Renaissance Zone before December 31, 2002, and those businesses first locating and conducting business activity within a Renaissance Zone after December 30, 2002.

To obtain the credit an otherwise qualified taxpayer must file an MBT annual return. The credit is equal to the lesser of the following:

- The tax liability attributable to business activity conducted within a Renaissance Zone in the tax year.
- 10 percent of adjusted services performed in a designated Renaissance Zone.
- For a taxpayer located and conducting business activity in a Renaissance Zone before December 31, 2002, the product of the following:
 - The Single Business Tax (SBT) Renaissance Zone Credit claimed for the tax year ending in 2007.
 - The ratio of the taxpayer's payroll in this State in the tax year divided by the taxpayer's payroll in this State in its SBT tax year ending in 2007.
 - The ratio of the taxpayer's Renaissance Zone Business Activity Factor for the tax year divided by the taxpayer's Renaissance Zone Business Activity Factor for its SBT tax year ending in 2007.

The credit allowed continues through the tax year in which the Renaissance Zone designation expires and is not refundable.

Business activities relating to a casino, including operating a parking lot, hotel, motel or retail store, cannot be used to calculate this credit. Businesses delinquent in filing or paying Property Tax, SBT, MBT or City Income Tax as of December 31 of the prior tax year are not eligible for this credit. Taxpayers will be notified if a claimed credit is disallowed.

For more information on Renaissance Zones, contact the Michigan Economic Development Corporation (MEDC) at (517) 373-9808 or visit their Web site at michiganadvantage.org/MIAdvantage/Taxes-and-Incentives. For information on the MBT credit, contact the Michigan Department of Treasury, Customer Contact Division, MBT Unit, at (517) 636-4657.

Special Instructions for Unitary Business Groups

If the entity located and conducting business activity in the Renaissance Zone is a member of a Unitary Business Group (UBG), the Renaissance Zone Credit must be calculated at the member entity level.

Attach this form to the UBG's appropriate combined annual return. If more than one member is eligible for this credit, complete one Form 4595 for each eligible member and attach all of them to the UBG's annual return.

Line-by-Line Instructions

Lines not listed are explained on the form.

Name and Account Number: Enter name and account number as reported on page 1 of the annual return.

UBGs: Complete one form for each member for whom this schedule applies. Enter the Designated Member (DM) name in the Taxpayer Name field and the specific member of the UBG for which this form is filed on the line below.

Line 2: Enter street address and parcel number of property. Enter name of Zone or Subzone in which the property is included.

ADJUSTED SERVICES PERFORMED IN THE RENAISSANCE ZONE

Line 17: Enter the depreciation for tangible property in the Zone exempt under MCL 211.7ff. Claim property exempt in the tax year; also claim new property that will be exempt in the immediately following tax year, i.e., property that has not been subject to, or exempt from the collection of taxes under the General Property Tax Act and has not been subject to, or exempt from ad valorem property taxes levied in another state, except that receiving an exemption as inventory property does not disqualify property.

Line 19: Only Individuals, Partnerships, S Corporations and Limited Liability Companies (LLC) federally taxed as Partnerships or S Corporations should complete line 19.

Line 20: Enter amount from line 18, or, if the taxpayer is an Individual, Partnership, S Corporation, or an LLC federally taxed as a Partnership or S Corporation, enter amount from line 19e.

Line 22: Taxpayers first located within a Renaissance Zone before December 31, 2002, ONLY (all others, leave lines 22a through 22e blank).

See “Supplemental Instructions for Initial Fiscal MBT Filers” on page 133.

Lines 25a and 25b: During the last three years of a Zone's designation, the credit must be reduced as follows:

- 25 percent for the tax year that is two years before the final year of designation as a Renaissance Zone.

- 50 percent for the tax year immediately preceding the final year of designation as a Renaissance Zone.
- 75 percent for the tax year that is the final year of designation as a Renaissance Zone.

Multiply line 24 by the reduced credit percentage provided in the Reduced Credit Table. Carry amount to line 14 of the *MBT Miscellaneous Nonrefundable Credits* (Form 4573), or line 15 of the *MBT Miscellaneous Credits for Insurance Companies* (Form 4596).

See “Supplemental Instructions for Initial Fiscal MBT Filers” on page 133.

UBGs: If filing multiple 4595 forms, enter the total of line 25b for all members on Form 4573, line 14.

Attach this schedule to the return.

DRAFT
12-04-08